

KNOW ALL MEN BY THESE PRESENTS, That PAULINE M. KAYLOR, hereinafter called the grantor, for the consideration hereinafter stated, to grantor paid by PAUL BAIR and DEBRA LYNN BAIR, husband and wife, hereinafter called the grantee, does hereby grant, bargain, sell and convey unto the said grantee and grantee's heirs, successors and assigns, that certain real property, with the tenements, hereditaments and appurtenances thereunto belonging or appertaining, situated in the County of Klamath and State of Oregon, described as follows, to-wit:

See attached Exhibit "A".

To Have and Hold the same unto the said grantee and grantee's heirs, successors and assigns forever.

And said grantor hereby covenants to and with said grantee and grantee's heirs, successors and assigns, that grantor is lawfully seized in fee simple of the above granted premises, free from all encumbrances except

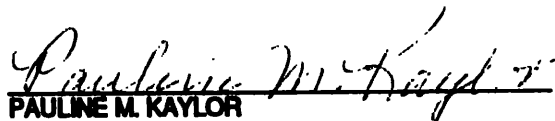
and that grantor will warrant and forever defend the said premises and every part and parcel thereof against the lawful claims and demands of all persons whomever, except those claiming under the above described encumbrances.

The true and actual consideration paid for this transfer, stated in terms of dollars, is \$145,000.

In construing this deed and where the context so requires, the singular includes the plural and the grammatical changes shall be implied to make the provisions hereof apply equally to corporations and to individuals.

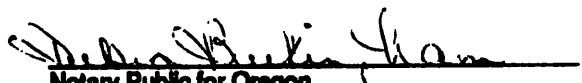
In Witness Whereof, the grantor has executed this instrument this 7th day of February, 1991; if a corporate grantor, it has caused its name to be signed and seal affixed by its officers, duly authorized thereto by order of its board of directors.

THIS INSTRUMENT WILL NOT ALLOW
USE OF THE PROPERTY DESCRIBED IN
THIS INSTRUMENT IN VIOLATION OF
APPLICABLE LAND USE LAWS AND
REGULATIONS. BEFORE SIGNING OR
ACCEPTING THIS INSTRUMENT, THE
PERSON ACQUIRING FEE TITLE TO
THE PROPERTY SHOULD CHECK WITH
THE APPROPRIATE CITY OR COUNTY
PLANNING DEPARTMENT TO VERIFY
APPROVED USES.


PAULINE M. KAYLOR

STATE OF OREGON)
County of Klamath) ss.

On this 7th day of February, 1991, personally appeared before me the above named PAULINE M. KAYLOR and acknowledged the foregoing instrument to be her voluntary act and deed.


Notary Public for Oregon
My Commission expires: 12-19-92

Pauline M. Kaylor
13319 Highway 39
Klamath Falls, OR 97603

Grantor's Name and Address

Paul and Debra Lynn Bair
892 Cross Road
Klamath Falls, OR 97603

Grantee's Name and Address

After recording return to:

dc Richard N. Belcher
815 Washburn Way
Klamath Falls, OR 97603

Until a change is requested all tax statements
shall be sent to the following address:

Paul and Debra Lynn Bair
892 Cross Road
Klamath Falls, OR 97603

State of Oregon, County of Klamath
Recorded 03/01/2004 9:04 AM
Vol M04 Pg 11637-38
Linda Smith, County Clerk
Fee \$ 26.00 # of Pgs 2

Amended K-42902

DESCRIPTION OF PROPERTY

The following described real property situated in Klamath County, Oregon:

PARCEL 1:

Beginning at the Southwest corner of the NW $\frac{1}{4}$ of Section 7, Township 40 South, Range 10 East of the Willamette Meridian; thence North along West line of Section, 20 rods; thence East parallel with North line of Section, 128 rods; thence North parallel with West line of section to low water mark on West Bank of Lost River; thence Southeasterly along said low water line to the East-West center line of said Section 7; thence West along said center line to the place of beginning, being a portion of the S $\frac{1}{2}$ of NW $\frac{1}{4}$, portion of Lot 1, and all of Lot 2, in Section 7, Township 40 South, Range 10 East of the Willamette Meridian.

TOGETHER with all rights reserved to Edward C. Ream, et ux in Deed to C. A. Hill, recorded in Book 36 page 17 of Deed records of Klamath Couynty, Oregon, relating to right to take water over lands conveyed by Deed, and All rights reserved in contract from Edward C. Ream, etux to Dawson, recorded in Book 35 page 293, Deed records of Klamath County, Oregon, relating to maintenace of canal crossing premises.

PARCEL 2:

Beginning at a point 20 rods North of Southwest corner of NW $\frac{1}{4}$ of Section 7, Township 40 South, Range 10 E.W.M., thence North along West line of said Section, 16 feet; thence East and parallel to the North line of said Section 660 feet; thence South parallel with West line of said Section, 16 feet; thence West 660 feet, more or less to the point of beignning.

SAVING AND EXCEPTING, parcel deeded to the State Highway Commission by Buford M. Kaylor and Pauline M. Kaylor, husband and wife, by Deed Volume 231 page 449, for road and ditch purposes. ALSO SAVING AND EXCEPTING Parcel deeded to the United States of America by Edward G. Ream, etux in Volume 24 page 149, Deed records of Klamath County, Oregon.